

**DEPARTMENT OF THE NAVY**  
**HUMAN RESOURCES SERVICE CENTER NORTHEAST**

**SUBJECT: Thrift Savings Plan (TSP) Open Season**

**DATE: March 25, 2003**

The Thrift Savings Plan (TSP) Open Season will begin **April 15, 2003 and end on June 30, 2003**. FERS employees hired July 1, 2002 through November 30, 2002 will be eligible to receive agency contributions to their TSP account the first full pay period in June 2003.

TSP is a retirement savings plan for both FERS and CSRS employees and during this open season, all eligible employees can elect to participate in the TSP or increase/decrease their contributions. During this open season, eligible FERS employees may elect to contribute up to **13%** of their basic pay; eligible CSRS employees may elect to contribute up to **8%** of their basic pay. The total amount of TSP contributions, however, cannot exceed the Internal Revenue Service (IRS) annual limit on elective deferrals. For the year 2003, the elective deferral limit is **\$12,000**. Elective deferrals are tax-deferred amounts that you choose to contribute to a plan instead of receiving those amounts as pay. Because such contributions are tax-deferred, they are not included in your taxable gross income for the year in which they are contributed. Section 402 of the Tax Code limits the amount of income that you may elect to defer under all cash or deferred arrangements during a tax year. For most employees a tax year is January 1 through December 31. The TSP Fact Sheet "Annual Limit on Elective Deferrals" describes how the IRS annual limit may affect TSP contributions and is available from the TSP web site [www.tsp.gov](http://www.tsp.gov).

There are no changes to the amount of agency contributions made to the TSP accounts of FERS employees. For FERS employees, the first three percent contributed will be matched dollar for dollar with agency contributions. The next two percent contributed will be matched 50 cents for every dollar contributed. The agency also contributes one percent automatically to eligible FERS employees whether or not the employee makes contributions to their account. CSRS employees do not receive any agency matching contributions.

Note: Employees can cancel their TSP contributions at any time. Your contributions will stop at the end of the pay period in which your election is made, either through EBIS or the Benefits Line. If you stop contributing during an open season, you must wait until the next open season to start again. If you stop outside an open season, you must wait until the second open season after you stop before you can contribute again. If you stopped your contributions on or after August 1, 2002, you may elect to begin contributing during this open season beginning April 15, 2003.

**CATCH UP CONTRIBUTIONS FOR TSP PARTICIPANTS AGE 50 AND OLDER**

Many employees are aware that the President signed Public Law 107-304, which permits eligible TSP participants who are age 50 or older to make tax-deferred "catch-up" contributions from their basic pay to their TSP accounts. The Thrift Savings Board intends to implement the catch-up contributions program in the summer of 2003. Agency specific information will be available in an upcoming Employee Benefits Update. TSP Bulletin 03-4 addresses this issue and can be obtained from the TSP web site, [www.tsp.gov](http://www.tsp.gov).

## **ELECTION AND ALLOCATION CHANGES**

Employees desiring to change their fund contribution allocations or request an interfund transfer must do so directly with the Thrift Savings Plan (TSP). These requests for fund contribution allocation and interfund transfers can be made at any time. You may make your request for fund contribution or interfund transfers in any of the three ways listed below. However, in order for you to process your request either through the TSP web site address or the ThriftLine, you will need your TSP Personal Identification Number (PIN).

About the TSP PIN: Prior to November 1994, the TSP PIN was shown in the upper section (Personal Information) of the Participant's Statement. If you do not have your TSP PIN or would like to request a new one, you may do so at [www.tsp.gov](http://www.tsp.gov) (just click on Account Access) or by calling the ThriftLine at (504) 255-8777. New participants will receive a letter from the TSP notifying them that their TSP account has been established and will include their TSP PIN number. Since new participants cannot allocate contributions until receipt of this PIN number, their contributions as well as any agency contributions will be invested in the Government Securities Investment (G) Fund until a fund contribution allocation is made with the TSP.

Three options for making a fund contribution allocation or requesting an interfund transfer:

- **TSP Web site** - [www/tsp.gov](http://www.tsp.gov) (Account Access section). If you have Internet access and your browser supports the 128-bit encryption, you can make your request in the secure area of the TSP web site. You will need your Social Security Number (SSN) and your TSP Personal Identification Number (PIN). Your request is recorded immediately, avoiding the mailing and processing time of a paper request.
  - **TSP ThriftLine** - (504) 255-8777. You must call from a touch-tone telephone. You will need your SSN and TSP PIN. Your request is recorded immediately, avoiding the mailing and processing time of a paper request.
  - **Form TSP-50**. The Form TSP-50, Investment Allocation, is the hardcopy form which may be used to allocate monies and request interfund transfers. This form may be used in lieu of the TSP web site or ThriftLine. However, this optical

scanner form is not available on the TSP web site. Only hard-copy forms may be used; photostat copies will not be accepted. Hard-copy forms can be obtained by contacting a Customer Service Representative on the Benefits Line (1-888-320-2917). Hearing impaired employees may call our TDD number at (215) 408-5449. Do not submit the completed TSP-50 form to our office. We cannot process contribution allocations or interfund transfers. **The completed TSP-50 form should be mailed directly to the TSP Service Office.**

You may invest all or any portion of these contributions in any of the five TSP investment funds: the Government Securities Investment (G) Fund; the Common Stock Index Investment (C) Fund; the Fixed Income Index Investment (F) Fund; the International Stock Index Investment (I) Fund; and the Small Capitalization Stock Index Investment (S) Fund.

FERS employees who are eligible to make contributions but do not contribute, may invest their Agency Automatic (1%) Contributions in any of the five TSP investment funds. The Agency Automatic (1%) Contributions will be invested in the G Fund until a fund contribution allocation is made with the TSP.

It is important to read the TSP Plan Summary before you request a fund contribution allocation. The section on Investment Options describes the risks and advantages of the five TSP Funds and contains details that you should consider before you allocate your TSP contributions.

## **HOW TO MAKE AN OPEN SEASON ELECTION**

**Using A Computer To Make An Open Season Change.** The most efficient way to elect to contribute to TSP or increase/decrease your contributions is by using the Employee Benefits Information System (EBIS). By using EBIS, you can make a TSP open season change 24 hours a day from any computer with Internet access.

You can access EBIS through the Department of Navy Civilian Human Resources homepage at <http://www.donhr.navy.mil/>. At this homepage, select "EBIS." To log into EBIS, use your Social Security Number and password. New EBIS users must establish a password and the process is described in Attachment 1. Please note that EBIS passwords are only valid for 90 days. Employees who established a password during the last TSP Open Season and have not reset their password since then will need to reset their password and should follow the steps in Attachment 1. To make a TSP open season change, you must also establish a Personal Identification Number (PIN). If you haven't used EBIS or the Benefits Line before, you will initially be asked to enter a 4 digit PIN consisting of the month and year of your birth (MMYY). For security purposes, the system will then prompt you to change your PIN to a 6 digit number of your choice. Once you have established a PIN in either EBIS or the Benefits Line, the same PIN is used to access either system.

**Using the Benefits Line to Make An Open Season Change.** If you prefer, you may elect to contribute to TSP or increase/decrease your TSP contributions by using the Benefits Line (1-

888-320-2917). The Benefits Line uses a touch tone telephone. This system is also available 24 hours a day. Once connected to the Benefits Line, follow the prompts in order to use the automated system to make your election. To make a TSP open season change, you must also establish a Personal Identification Number (PIN). If you haven't used EBIS or the Benefits Line before, you will initially be asked to enter a 4 digit PIN consisting of the month and year of your birth (MMYY). For security purposes, the system will then prompt you to change your PIN to a 6 digit number of your choice. Once you have established a PIN in either EBIS or the Benefits Line, the same PIN is used to access either system.

In addition to using the automated system to make Benefits changes, the Benefits Line also has Customer Service Representatives (CSRs) available to provide assistance and answer questions between the hours of 7:30 am and 4:30 (EST) Monday through Friday.

**Reminder** - The HRSC-NE no longer accepts for processing any hardcopy Thrift Savings Plan Election Forms, TSP-1. All TSP-1s received by the HRSC-NE will not be processed and will be returned to the employees.

### **EFFECTIVE DATES OF OPEN SEASON CHANGES**

If you make a TSP Open Season change, **it is important to review your Leave and Earnings Statement (LES)** to ensure that the change is properly reflected. Information about projected open season changes is available in EBIS.

<u>TSP ELECTION PROCESSED EBIS/BENEFITS LINE</u>	<u>EFFECTIVE DATE</u>	<u>CHANGE SHOWN ON LES*</u>
<b>04-15-03 THRU 05-31-03</b>	<b>06-01-03</b>	<b>06-20-03</b>
<b>06-01-03 THRU 06-14-03</b>	<b>06-15-03</b>	<b>07-04-03</b>
<b>06-15-03 THRU 06-28-03</b>	<b>06-29-03</b>	<b>07-18-03</b>
<b>06-29-03 THRU 06-30-03</b>	<b>07-13-03</b>	<b>08-01-03</b>

\* TSP change should be reflected on LES received this date. If change is not reflected on this LES, please contact the Benefits Line at 1-888-320-2917 between the hours of 7:30 am and 4:30 EST Monday through Friday, and a Customer Service Representative will assist you.

### **INFORMATION ABOUT TSP**

For more TSP information, you may refer to the revised "Summary of the Thrift Savings Plan for Federal Employees" (May 2001), which all eligible employees received in May 2001 or in their new hire packages after that date. This booklet contains all the information about the TSP Program's participation and contribution rules, interfund transfers, loans, withdrawals, and other important TSP information. For detailed information concerning the TSP investment funds, refer to the Guide to TSP Investments. You may also obtain these booklets from the TSP web site [www.tsp.gov](http://www.tsp.gov).

If you have any questions about the TSP, visit the TSP Web site at [www.tsp.gov](http://www.tsp.gov), or contact the Benefits Line on 1-888-320-2917. Hearing impaired employees may call our TDD number at (215) 408-5449.

## **ATTACHMENT 1**

### **HOW TO CREATE A PASSWORD FOR EBIS**

You can access EBIS through the Department of Navy Civilian Human Resources web site at <http://www.donhr.navy.mil/>. At this DONHR homepage, select "EBIS".

Once you are in the EBIS module, you must create a password. Select the "EBIS/Change Benefits" button. EBIS must verify your identify before you can create a password. You will complete the information listed below based on your most recent SF 50, Notification of Personnel Action or Leave and Earnings Statement (LES).

Social Security Number

Service Computation Date for leave (MM/DD/YYYY)

Date of Birth (MM/DD/YYYY)

Civilian Pay Plan

Grade

Step

The password must:

- Contain 8 - 10 characters
- Cannot match any portion of your social security number
- Contain at least 3 of the following 4 character types:
  - An upper case letter (A, B, C,...Z)
  - A lower case letter (a, b, c,...z)
  - A number (0, 1, 2, 3,...9)
  - A special character (exclamation point (!), at sign (@), number sign (#), etc.).

DO NOT USE apostrophes (‘), commas (,), pipes (|), or periods(.)

Examples of valid passwords:

- October8 (uppercase/lowercase/numeric)
- 090971Tm (numeric/uppercase/lowercase)
- adnoM@30 (lowercase/uppercase/special character)
- 082597Hd (numeric/uppercase/lowercase)
- IuAMears! (uppercase/lowercase/special characters)

In compliance with DOD security measures, there is an eight-day waiting period between password changes. You cannot use the same password within a six-month period. Passwords must be changed every 90 days.